

Testimony
of
John Hiscock
General Manager
South Norwalk Electric and Water
The Second Taxing District of the City of Norwalk
Before the Energy and Technology Committee
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South Norwalk Electric and Water (SNEW) opposes SB-449 An Act Concerning **Municipal Water Rates**, which subjects municipal water utilities, meeting the criteria of the act, to rate regulation by the Public Utilities Regulatory Authority (Authority). Under the act as drafted, if the municipal waterworks system proposes to increase its rates for use by 10% or greater the increase is subject to a rate-related regulatory approval process by the Authority. The Authority has historically not regulated municipal waterworks rates.

Because the Authority has not previously regulated municipal waterworks system rates while it has the requisite financial knowledge, the criteria, conditions, practices, policies and procedures necessary for such regulation do not exist within the Authority's regulations nor are financial issues such as rate of return, debt equity-ratio, issuance of debt either general obligation or revenue based defined by either statute or regulation. SNEW believes that the regulation of rates of its waterworks system by the Authority would be a costly and an unnecessary burden for SNEW's ratepayers and the residents of Connecticut.